Development of western corridor from JNPT to Delhi

*280. PROF. ALKA BALRAM kSHATRIYA: Will the Minister of RAILWAYS be pleased to state:

(a) whether Government plan to develop western corridor from JNPT to Delhi *via* Vadodara-Ahmedabad-Palampur-Jaipur;

(b) if so, the details thereof; and

(c) if not, the reasons therefor?

THE MINISTER OF RAILWAYS (SHRI LALU PRASAD): (a) to (c) Yes, Sir. Western Corridor of Dedicated Railway Freight Corridor Project has been sanctioned in Rail Budget 2006-07 The Corridor will start from Jawaharlal Nehru Port and will be routed *via* Vadodara, Ahmedabad, Palanpur and Rewari to Tuglakabad and Dadri. This Corridor will carry mostly container traffic. The cost of Western Corridor is estimated as Rs. 11,446 crores.

WRITTEN ANSWERS TO UNSTARRED QUESTIONS

Interest on Loans

†1794. DR. PRABHA THAKUR:
SHRI SANTOSH BAGRODIA:

Will the Minister of AGRICULTURE be pleased to state:

(a) whether Government have prepared any scheme for providing exemption to the farmers from paying interest on loans taken for agricultural purpose in drought affected States; and if so, the details thereof and if not, the reasons therefor;

(b) whether Government have prepared any welfare policy for the farmers to take them and agricultural labourers of the drought affected States out of the miserable condition; and

(c) if so, the details thereof and if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI KANTILAL BHURIA): (a) There is no such scheme at present for providing exemption to the farmers from paying interest on loans taken by the farmers for agricultural purposes in drought affected States. However, the Hon'ble Union Finance Minister in his Budget Speech for the year 2006-07 has announced interest relief to farmers in all States in respect of production loan taken by them during 2005-06 @ 2% and such amount was credited to their accounts by 31 March, 2006.

(b) and (c) Details are annexed as per statement.

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†Original notice of the question was received in Hindi.

Statement

INTEREST ON LOANS

(i) The Government of India as part of farm credit package have announced on 18th June, 2004, specific package of measures to provide relief to the farmers in the drought affected areas/distress areas in respect of agricultural loans availed of by them. The specific package of measures announced by the Government of India are as follows:

- To restructure the outstanding debt of the farmers under the following heads in accordance with the guidelines issued by Reserve Bank of India (RBI)/ National Bank for Agriculture & Rural Development (NABARD).
- Farmers in Distress-Rescheduling/restructuring of the outstanding loan of the farmer as on 31st March, 2004 in the district declared as calamity affected by the State Government. Rescheduled loan shall be repayable over a period of five years, at current interest rates, including an initial moratorium of two years.
- Farmers in arrears—Loans in default of farmers who have become ineligible for fresh credit as their earlier debats have been categorized as sub-standard or doubtful shall be rescheduled as per the guidelines so that such farmers become eligible for fresh credit.
- To grant a one-time settlement (OTS) including partial waiver of interest or loan to the small and marginal farmers who have been declared as defaulters and have become ineligible for fresh credit. Banks have also been advised to review cases where credit has been denied on the sole ground that a loan account was settled through compromise or write offs.
- In some parts of the country, farmers face acute distress because of the heavy burden of debt from non-institutional lenders (e.g. private moneylenders). Banks have been permitted to advance loans to such farmers for redeeming their debt from private moneylender and for providing them relief from indebtedness.

(ii) In his Budget Speech for 2006-2007, the Union Finance Minister had announced the Government decision to ensure provision of crop loans to farmers at 7% p.a. with an upper limit of Rs. 3 lakh on principal amount from Kharif 2006.

(iii) To waive margin/security requirements for agricultural loans up to Rs. 50,000 and agri-business and agri-clinics up to Rs. 5 lakh.